



U.S. Immigration
and Customs
Enforcement

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News Release

ICE WARNS PUBLIC ABOUT GROWING FRAUDULENT CHECK, MONEY ORDER SCAM IN NEW ORLEANS AREA

Agencies team up to stop financial fraud

NEW ORLEANS—U.S. Immigration and Customs Enforcement (ICE) advises the public of an emerging scam involving phony bank checks and money orders found recently by the Department of Homeland Security in New Orleans and the surrounding areas.

It is believed the bogus monetary instruments are part of a scam being perpetrated jointly between Nigeria and U.S.-based criminals, and which hinges on the sale of goods over the Internet.

“Protecting the public from financial fraud is an important aspect of what ICE is focused on,” said New Orleans ICE Special Agent-in-Charge Michael A. Holt. “It’s imperative that criminals not be allowed to take advantage of the unsuspecting through such deceptions.”

Customs and Border Protection (CBP) officers inspecting packages coming into the United States seized three packages Nov. 26 from Nigeria containing 225 fraudulent bank checks and money orders with face values totaling more \$841,000. “Customs and Border Protection officers at the DHL hub in Erlanger, Ky. recently seized millions of dollars in counterfeit checks” said Port Director Tim Willard, who leads CBP’s Cincinnati operations. “Nigerian advance fee fraud has been around for decades and had definitely become a nationwide problem.”

The packages were destined for an address in Avondale, La., and ICE special agents, the Jefferson Parish Sheriff’s office, the Department of Homeland Security’s U.S. Secret Service, and the U.S. Postal Inspection Service executed a federal search warrant on the intended recipient’s Avondale residence Dec. 1. At that time, additional physical and electronic evidence was seized. During the execution of the warrant two additional packages that had not been intercepted were delivered to the residence. These packages contained 155 more fraudulent checks and money orders. These fraudulent checks totaled \$598,300 in value.

ICE continues to investigate the matter.

The scam typically involves a swindler in Nigeria or a foreign country who finds items on the Internet for sale. He will then contact the seller and make a purchase offer. The swindler tells the seller, who is now targeted as the intended victim of the scam, that he has a cashier check or money order for an amount in excess of the purchase price of the item. The swindler, oftentimes in collusion with a partner based in the United States, sends the cashier check and instructions for the seller to deposit the check into their own account. The swindler instructs the victim to wire the overage to a shipping company to pay for shipping the item. The shipping company is, in fact, the swindler. By the time the check is found to be fraudulent, the money has already been sent to the swindler.

This type of criminal activity is very prevalent at this time of year as more people turn to the Internet to make purchases. The swindlers use multiple names, addresses and contact information, so they continue to defraud people even when law enforcement stops them under known identities.

"Be cautious --even skeptical-- when selling goods, especially when it's a high-value item," said Holt. "First, never give out personal information and before you send money or the goods, make sure the buyer's money order or check clears first. If a shipping company is needed, then you should choose a reputable one that you trust instead of using the buyer's company."

Additional investigation has discovered that this single incident has already resulted in \$31,000 having been sent to the swindler and an additional \$24,000 being placed on deposit with a money transmitter service awaiting pickup. The additional \$24,000 was stopped before it could be retrieved by the swindler.

The ICE tip line is staffed around the clock. The number is 1-866-DHS- 2ICE, or 1-866-347-2423

ICE

U.S. Immigration and Customs Enforcement is the largest investigative arm of the Department of Homeland Security.